

## **ATP 30 Public Company Limited**

### **Notes to financial statements**

**For the year ended 31 December 2017**

#### **1. General information**

ATP 30 Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the business of transport services. The registered office of the Company is at 700/199 Moo 1, T. Bankhao, A. Panthong, Chonburi.

#### **2. Basis of preparation**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

#### **3. New financial reporting standards**

##### **(a) Financial reporting standards that became effective in the current year**

During the year, the Company have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company.

## **(b) Financial reporting standards that will become effective in the future**

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company believes that the revised and new financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

### **4. Significant accounting policies**

#### **4.1 Revenue recognition**

##### *Rendering of services*

Service revenue is recognised when services have been rendered taking into account the stage of completion.

#### **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

#### **4.3 Trade accounts receivable**

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

#### **4.4 Inventories**

Spare parts are valued at the lower of average cost and net realisable value and are charged to service costs whenever consumed.

#### **4.5 Transportation vehicles, leasehold improvement and equipment/Depreciation**

Transportation vehicles, leasehold improvement and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of transportation vehicles, leasehold improvement and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Transportation vehicles	-	10	years
Leasehold improvement	-	5,10	years
Furniture, fixture and office equipment	-	5	years
Motor vehicles	-	5	years

Depreciation is included in determining income.

No depreciation is provided on transportation vehicle in process and leasehold improvement under construction.

An item of transportation vehicles and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.6 Related party transactions**

Related parties comprise individuals or enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.7 Long-term leases**

Leases of transportation vehicles and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful lives of the assets.

Leases of transportation vehicles and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

#### **4.8 Impairment of assets**

At the end of each reporting period, the Company performs impairment reviews in respect of transportation vehicles and equipment whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

#### **4.9 Employee benefits**

##### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### ***Post-employment benefits***

###### *Defined contribution plans*

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the company's contributions are recognised as expenses when incurred.

###### *Defined benefit plans*

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

#### **4.10 Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.11 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.12 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

### **Leases**

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### **Transportation vehicles, leasehold improvement and equipment/Depreciation**

In determining depreciation of transportation vehicles, leasehold improvement and equipment, the management is required to make estimates of the useful lives and residual values of transportation vehicles, leasehold improvement and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review transportations vehicles, leasehold improvement and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	<u>2017</u>	<u>2016</u>	(Unit: Million Baht) <u>Pricing policy</u>
<u>Transactions with related parties</u>			
Subcontract service	4.4	4.9	As agreed price
Insurance expenses	5.2	5.2	As agreed price
Rental and service expenses	1.2	1.1	Contract price
Consultancy fee	0.6	0.6	As agreed price
Commissions	0.5	-	As agreed price

As at 31 December 2017 and 2016, the balances of the accounts between the Company and those related parties were as follows:

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
<b><u>Prepaid insurance expenses - related party</u></b>		
Thaisri Insurance Public Company Limited (Common Director)	<u>3,863</u>	<u>1,957</u>
<b><u>Trade accounts payable - related parties (Note 11)</u></b>		
NPR Trans Tour Company Limited (Common management)	865	885
Mr.Vinai Pumpit (Manager of the Company)	148	291
Mr.Ampon Techakul (Managing director's brother)	129	48
	<u>1,142</u>	<u>1,224</u>

(Unit: Thousand Baht)

	<u>2017</u>	<u>2016</u>
<b><u>Other payables - related parties (Note 11)</u></b>		
Accrued insurance expenses - Thaisri Insurance Public Company Limited (Common Director)	3,397	1,637
Accrued consultancy fee - Mr.Viwat Kromadit (Director of the Company)	50	50
Accrued rental and service expenses - Kromdit Park Company Limited (Common Director)	149	130
Accrued meeting allowance - Ms.Somhatai Panichewa (Director of the Company)	-	9
Accrued commissions - Manager of the Company	230	-
	<u>3,826</u>	<u>1,826</u>

#### **Directors and management's benefits**

During the year ended 31 December 2017 and 2016, the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	<u>2017</u>	<u>2016</u>
Short-term employee benefits	12,523	10,344
Post-employment benefits	342	200
Total	<u>12,865</u>	<u>10,544</u>

## **7. Trade and other receivables**

The balances of trade and other receivables as at 31 December 2017 and 2016 aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	<u>2017</u>	<u>2016</u>
<b><u>Trade accounts receivable</u></b>		
Aged on the basis of due dates		
Not yet due	41,989	34,397
Past due		
Up to 3 months	169	154
3 - 6 months	20	-
Total trade accounts receivable	<u>42,178</u>	<u>34,551</u>
Accrued services income	1,727	1,271
Advance payment	86	4
Other receivables	12	1
Total trade and other receivables	<u>44,003</u>	<u>35,827</u>



## 8. Restricted bank deposits

This represent saving and fixed deposit pledged with the bank to secure bank guarantees.

## 9. Transportation vehicles

(Unit: Thousand Baht)

	Transportation vehicles	Transportation vehicles in process	Total
<b>Cost:</b>			
As at 1 January 2016	449,647	573	450,220
Additions	100,929	-	100,929
Disposals/written off	(446)	(173)	(619)
As at 31 December 2016	550,130	400	550,530
Additions	193,751	-	193,751
Disposals/written off	(5,687)	-	(5,687)
As at 31 December 2017	738,194	400	738,594
<b>Accumulated depreciation:</b>			
As at 1 January 2016	105,089	-	105,089
Depreciation for the year	40,931	-	40,931
Depreciation on disposals/written off	(298)	-	(298)
As at 31 December 2016	145,722	-	145,722
Depreciation for the year	44,990	-	44,990
Depreciation on disposals/written off	(4,925)	-	(4,925)
As at 31 December 2017	185,787	-	185,787
<b>Net book value:</b>			
As at 31 December 2016	404,408	400	404,808
As at 31 December 2017	552,407	400	552,807
<b>Depreciation for the year:</b>			
2016 (Included in cost of services)			40,931
2017 (Included in cost of services)			44,990

As at 31 December 2017, the Company had transportation vehicles with net book values of Baht 439 million (2016: Baht 324 million) which were acquired under finance lease agreements.

## 10. Leasehold improvement and equipment

(Unit: Thousand Baht)

	Leasehold improvement	Furniture, fixture and office equipment	Tool	Leasehold improvement under construction	Vehicle	Total
<b>Cost:</b>						
As at 1 January 2016	5,050	3,747	1,415	49	-	10,261
Additions	650	460	159	1,814	1,635	4,718
Transfers in (out)	1,863	-	-	(1,863)	-	-
Written off	(290)	(49)	-	-	-	(339)
As at 31 December 2016	7,273	4,158	1,574	-	1,635	14,640
Additions	1,096	645	49	-	-	1,790
Written off	-	(9)	-	-	-	(9)
As at 31 December 2017	8,369	4,794	1,623	-	1,635	16,421
<b>Accumulated depreciation:</b>						
As at 1 January 2016	858	2,137	1,031	-	-	4,026
Depreciation for the year	579	564	143	-	133	1,419
Depreciation on written off	(17)	(9)	-	-	-	(26)
As at 31 December 2016	1,420	2,692	1,174	-	133	5,419
Depreciation for the year	744	613	139	-	163	1,659
Depreciation on written off	-	(5)	-	-	-	(5)
As at 31 December 2017	2,164	3,300	1,313	-	296	7,073
<b>Net book value:</b>						
As at 31 December 2016	5,853	1,466	400	-	1,502	9,221
As at 31 December 2017	6,205	1,494	310	-	1,339	9,348
<b>Depreciation for the year:</b>						
2016 (Baht 1.1 million included in administrative expenses, and the balance in cost of service)						1,419
2017 (Baht 1.3 million included in administrative expenses, and the balance in cost of service)						1,659

## 11. Trade and other payables

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
Trade accounts payable	24,833	22,253
Trade accounts payable - related parties (Note 6)	1,142	1,224
Other payables	562	1,010
Accounts payables - purchase of fixed assets	835	304
Accrued expenses	4,235	3,041
Accrued expenses - related parties (Note 6)	3,826	1,826
Advance receipt	337	209
Total	<u>35,770</u>	<u>29,867</u>

## 12. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
Liabilities under finance lease agreements	351,035	242,404
Less : Deferred interest expenses	<u>(28,321)</u>	<u>(24,446)</u>
Total	322,714	217,958
Less : Portion due within one year	<u>(95,449)</u>	<u>(67,618)</u>
Liabilities under finance lease agreements - net of current portion	<u>227,265</u>	<u>150,340</u>

The Company has entered into the finance lease agreements with several leasing companies for rental of transportation vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 4 - 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:

	(Unit: Thousand Baht)		
	As at 31 December 2017		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	<u>109,270</u>	<u>241,765</u>	<u>351,035</u>
Deferred interest expenses	<u>(13,821)</u>	<u>(14,500)</u>	<u>(28,321)</u>
Present value of future minimum lease payments	<u>95,449</u>	<u>227,265</u>	<u>322,714</u>

(Unit: Thousand Baht)

As at 31 December 2016

	Less than		
	1 year	1 - 5 years	Total
Future minimum lease payments	79,672	162,732	242,404
Deferred interest expenses	(12,054)	(12,392)	(24,446)
Present value of future minimum lease payments	<u>67,618</u>	<u>150,340</u>	<u>217,958</u>

### 13. Provision for long-term employee benefits

Provision for long-term employee benefits which represents compensation payable to employee after they retire from the Company, was as follows:

(Unit: Thousand Baht)

	<u>2017</u>	<u>2016</u>
<b>Provision for long-term employee benefits at beginning of year</b>	4,089	1,590
Included in profit or loss:		
Current service cost	1,069	350
Interest cost	139	54
Included in other comprehensive income:		
Actuarial loss arising from		
Financial assumptions changes	-	96
Experience adjustments	-	2,175
Benefits paid during the year	<u>(158)</u>	<u>(176)</u>
<b>Provision for long-term employee benefits at end of year</b>	<u><u>5,139</u></u>	<u><u>4,089</u></u>

Long-term employee benefit expenses recognised in the profit or loss consist of the following:

(Unit: Thousand Baht)

	<u>2017</u>	<u>2016</u>
Cost of services	844	185
Administrative expenses	364	219

The Company expects to pay Baht 0.12 million of long-term employee benefits during the next year (2016: Baht 0.19 million).

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit is 15 years (2016: 15 years).

Key actuarial assumptions used for the valuation are as follows:

	<u>2017</u>	<u>2016</u>
	(% per annum)	(% per annum)
Discount rate	3.2	3.2
Future salary increase rate (depending on employee type)	4 - 6	4 - 6

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2017 and 2016 are summarised below:

	(Unit: Million Baht)			
	<u>31 December 2017</u>		<u>31 December 2016</u>	
	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>	<u>Increase 0.5%</u>	<u>Decrease 0.5%</u>
Discount rate	(0.3)	0.3	(0.2)	0.3
Salary increase rate	0.3	(0.3)	0.2	(0.2)

#### 14. Share capital

On 3 April 2017, the Annual General Meeting of the Company's shareholders has approved the following matters:

- 1) Dividends payment for 440 million ordinary shares of Baht 0.045 per share, totaling Baht 19.68 million from the 2016 operating result, the details are as follows:
  - 1.1) Stock dividends payment not exceeding 55 million ordinary shares, at a rate of 1 share for every 8 existing ordinary shares (with fractional shares to be paid in cash), to the shareholders totaling Baht 13.75 million or Baht 0.031 per share.
  - 1.2) Cash payment not exceeding of Baht 5.93 million or Baht 0.014 per share, comprising to following:
    - 1.2.1) Cash not exceeding of Baht 1.53 million or Baht 0.004 per share for reserved of withholding on stock dividend payment of the shareholders.
    - 1.2.2) Cash additional of Baht 4.4 million or Baht 0.01 per share.
- 2) Issuance and allocation not exceeding 123.75 million units of the Company's warrants, (ATP30-W1) free of charge to the existing shareholders in proportion to their existing shareholding (Rights Offering), at rate of 1 warrant for every 4 existing ordinary shares (with fractional shares to be rounded down). The exercise ratio is 1 warrant per 1 ordinary share and the exercise price is Baht 0.85 per share. The exercise date is lasting for two years starting from the issue date of Warrant. They can be exercised 4 times on 29 December 2017, 29 June 2018, 28 December 2018 and 23 May 2019.

- 3) An increase in the Company's registered share capital from Baht 110 million (440 million ordinary shares of Baht 0.25 each) to Baht 154.69 million (618.75 million ordinary shares of Baht 0.25 each) by issuing 178.75 million ordinary shares with a par value of Baht 0.25 each in order to support the stock dividends payment not exceeding 55 million shares and the exercise of the warrants (ATP30-W1) not exceeding 123.75 million shares.

The Company registered the capital increase and the subscription of newly issued and fully paid up share of Baht 13.75 million with the Ministry of Commerce on 24 April 2017 and 3 May 2017, respectively.

On 24 May 2017, the Company has issued 123.75 million warrants (ATP30-W1) to its shareholders.

In December 2017, 26.46 million warrants were exercised to purchase 26.46 million new ordinary shares, and the Company registered the resulting increase in its share capital with the Ministry of Commerce on 8 January 2018. The Company recorded cash received from the exercise of these warrants, amounting to Baht 22.49 million, under the caption of "share subscription received in advance" in shareholders' equity as at 31 December 2017.

As at 31 December 2017, the Company had 97.29 million warrants remaining unexercised.

## 15. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 16. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
Salaries and wages and other employee benefits	78,136	62,515
Subcontract services	60,692	59,199
Depreciation and amortisation	46,829	42,461
Insurance expenses	10,789	10,588
Fuel expense	69,956	54,594
Motor vehicles expenses	20,854	16,015

## 17. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	2,839	3,164
<b>Income tax expense reported in the statement of comprehensive income</b>	<u>2,839</u>	<u>3,164</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2017 and 2016 are as follows:

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
Deferred tax relating to actuarial loss	-	454

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
Accounting profit before tax	29,087	25,095
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	5,817	5,019
Adjustment in respect of income tax expenses of previous year	39	-
Effects of:		
Non-deductible expenses	44	249
Additional expenses deductions allowed	(3,061)	(2,104)
Total	(3,017)	(1,855)
Income tax expenses reported in the statement of comprehensive income	<u>2,839</u>	<u>3,164</u>

The components of deferred tax asset and deferred tax liability are as follows:

	(Unit: Thousand Baht)	
	<u>2017</u>	<u>2016</u>
<b>Deferred tax asset</b>		
Gain from sales and lease back - transportation vehicle	-	23
Provision for long-term employee benefits	1,028	818
Unused tax loss	7,268	6,315
Total	<u>8,296</u>	<u>7,156</u>
<b>Deferred tax liability</b>		
Accumulated depreciation - transportation vehicle	14,583	8,681
Liabilities under finance lease agreements	10,553	12,476
Total	<u>25,136</u>	<u>21,157</u>
<b>Deferred tax liability - net</b>	<u><u>16,840</u></u>	<u><u>14,001</u></u>

#### 18. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares to reflect the impact of the stock dividend as discussed in note 14 to the financial statements. The prior year's basic earnings per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either on the date the potential ordinary shares were issued.



The following table sets forth the computation of basic and diluted earnings per share:

	Profit for the years		Weighted average		Earnings per share	
	ended 31 December		number of ordinary			
	2017	2016	2017	2016	2017	2016
	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	26,248	21,931	495,217	495,000	0.053	0.044
<b>Effect of dilutive potential ordinary shares</b>						
Warrant offered to existing shareholders (ATP30-W1)	-	-	32,968	-		
<b>Diluted earnings per share</b>						
Profit attributable to equity holders of the Company						
assuming the conversion of warrants to ordinary shares	<u>26,248</u>	<u>21,931</u>	<u>528,185</u>	<u>495,000</u>	0.050	0.044

## 19. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Managing Director.

The Company's principal operating segments are transport services. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

For the years 2017 and 2016, the Company has no major customer with revenue of 10 percent or more of the Company's revenues.

## 20. Dividend

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
		(Million Baht)	(Baht)
Dividends for 2015	Annual General Meeting of the shareholders on 4 April 2016	9.7	0.022
Total dividends for 2016		<u>9.7</u>	<u>0.022</u>
Dividends for 2016	Annual General Meeting of the shareholders on 3 April 2017		
- Cash		5.9	0.014
- Stock dividend		13.8	0.031
Total dividends for 2017		<u>19.7</u>	<u>0.045</u>

## 21. Commitments and contingent liabilities

### 21.1 Operating lease commitments

The Company has entered into several lease agreements in respect of the lease of land, building space and equipments. The terms of the agreements are generally between 3 - 10 years.

Future minimum lease payments required under these operating leases contracts were as follows:

	(Unit: Million Baht)	
	<u>As at 31 December</u>	
	<u>2017</u>	<u>2016</u>
Payable:		
In up to 1 year	2.4	2.6
In over 1 and up to 5 years	2.9	2.2

### 21.2 Long-term service commitment

The Company has entered into a service contract with a company (“the counterparty”), whereby the counterparty will provide services regarding financial advisory. The Company commits to pay a service fee of Baht 1 million.

### **21.3 Bank guarantee**

As at 31 December 2017, there were outstanding bank guarantees of approximately Baht 9.6 million (2016: Baht 3.7 million) issued by banks on behalf of the Company as required in the normal course of business.

## **22. Financial instruments**

### **22.1 Financial risk management**

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivable, restricted bank deposits, trade and other payables and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Company is exposed to credit risk primarily with respect to trade accounts receivable. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable as stated in the statement of financial position.

#### ***Interest rate risk***

The Company's exposure to interest rate risk relates primarily to its cash at financial institutions and liabilities under finance lease agreements. Most of the Company's financial assets and liabilities are non-interest bearing or bear fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 December 2017						
Fixed interest rates						
Within	1-5	Floating	Non- interest	Total	Interest rate	(% per annum)
1 year	years	interest rate	bearing			
<b>Financial Assets</b>						
Cash and cash equivalent	-	-	28.0	7.5	35.5	0.37
Trade and other receivables	-	-	-	44.0	44.0	-
Restricted bank deposits	-	-	8.9	-	8.9	0.38 - 0.8
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	35.8	35.8	-
Liabilities under finance lease agreements	95.4	227.3	-	-	322.7	3.7-8.9

(Unit: Million Baht)

As at 31 December 2016						
Fixed interest rates						
Within	1-5	Floating	Non- interest	Total	Interest rate	(% per annum)
1 year	years	interest rate	bearing			
<b>Financial Assets</b>						
Cash and cash equivalent	-	-	32.0	13.0	45.0	0.37
Trade and other receivables	-	-	-	35.8	35.8	-
Restricted bank deposits	-	-	2.9	-	2.9	0.8
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	29.9	29.9	-
Liabilities under finance lease agreements	67.6	150.3	-	-	217.9	4.3 - 8.9

## **22.2 Fair values of financial instruments**

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates closed to the market rate, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

## **23. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2017, the Company's debt-to-equity ratio was 1.34:1 (2016: 1.10:1).

## **24. Even after the reporting period**

On 26 February 2018, the meeting of the Company's Board of Directors passed significant resolutions to propose to the Annual General Meeting of the shareholders as the follows:

- 1) The payment of a dividend of Baht 0.03 per share from operating results of the year 2017, totaling approximately Baht 15.64 million.
- 2) The allocation of Baht 1.4 million of profit to Company's legal reserve.

## **25. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2018.